

FY2003-04

Budget In Brief



OUR MISSION

*To manage and protect water resources
of the region by balancing and
improving water quality, flood control,
natural systems and water supply.*



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TO THE RESIDENTS/BUSINESSES OF CENTRAL AND SOUTHERN FLORIDA

The South Florida Water Management District's FY2004 budget totals \$763.7 million. This amount reflects a \$41.7 million or 5.2 percent reduction from the District's FY2003 amended budget of \$805.4 million, primarily due to less incoming revenue from state and federal sources. The adopted budget maintains existing millage rates and full-time staffing levels. The District has successfully held tax rates steady for seven consecutive years.

Despite facing revenue challenges, the District's budget includes funding for increased Everglades restoration efforts, local water resource protection projects, essential water supply projects, and critical operations and maintenance priorities. We continue to reexamine our business practices to ensure maximum agency efficiency and also strive to leverage our limited resources by pursuing beneficial public/private partnership opportunities.

Key budgeted items this year include \$100 million to match the State of Florida's commitment to the Comprehensive Everglades Restoration Plan (CERP) and more than \$47 million to assist local governments with water resource enhancements. In addition, \$17.9 million is earmarked for capital improvements to District water control structures and pumping stations. The budget also includes \$259.7 million to acquire land for ecosystem restoration purposes.

In addition to opportunities for public input during Governing Board meetings and workshops, county commission briefings and community forums, the FY2004 budget was reviewed by the Governor, the Department of Environmental Protection and the Chairs of both the House and Senate Appropriations Committees. In a letter to Governing Board Chair Nicolás Gutiérrez from Jeb Bush, the governor expressed his support for the District's efforts to "serve the state's largest population within current financial resources, all while undertaking the greatest environmental restoration program in the state."

We trust you will find this brief overview of our FY2004 budget to be both informative and useful. Please contact us if you have any additional questions or concerns.

Sincerely,

Henry Dean,
Executive Director



District Organization

GOVERNING BOARD

The Governing Board (Board) is composed of nine members appointed from specific geographic areas within the District. The members are appointed by the Governor and are confirmed by the Florida Senate. Appointments are usually made on a staggered basis as vacancies occur. Board members serve without salaries for a term of four years. The Board elects its own officers, including a Chair and Vice-Chair.

GOVERNING BOARD MEMBERS

Nicolás J. Gutiérrez, Jr., Esq., Chair

Area: Miami-Dade County

Current Term: March 2000 to March 2004

Pamela D. Brooks-Thomas, Vice Chair

Area: Broward County

Current Term: March 2002 to March 2006

Irela Bagué, Member

Area: Miami-Dade County

Current Term: March 2003 to March 2007

Michael Collins, Member

Area: At-large member for an area that includes St. Lucie, Martin, Palm Beach, Broward, Miami-Dade and Monroe counties

Current Term: March 2002 to March 2006

Hugh M. English, Member

Area: At-large member for an area that includes Collier, Lee, Hendry, Charlotte, Glades, Osceola and Okeechobee counties

Current Term: March 2001 to March 2005

Lennart E. Lindahl, P.E., Member

Area: At-large member for an area that includes St. Lucie, Martin, Palm Beach, Broward, Miami-Dade and Monroe counties

Current Term: March 2001 to March 2005

Kevin McCarty, Member

Area: Palm Beach County

Current Term: March 2003 to March 2007

Harkley R. Thornton, Member

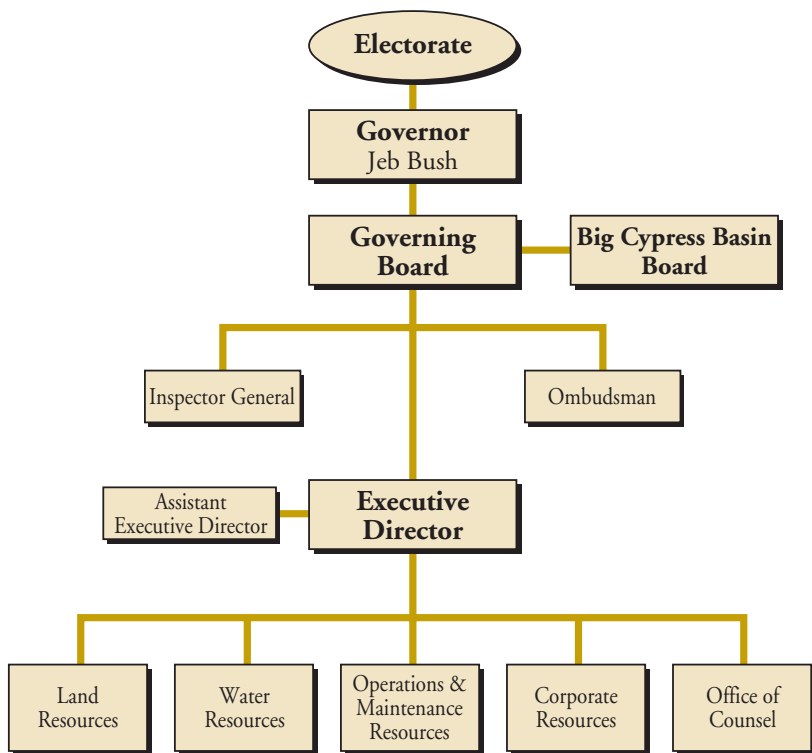
Area: Glades, Highlands, Okeechobee, Orange, Osceola and Polk counties

Current Term: March 2000 to March 2004

Trudi K. Williams, P.E., Member

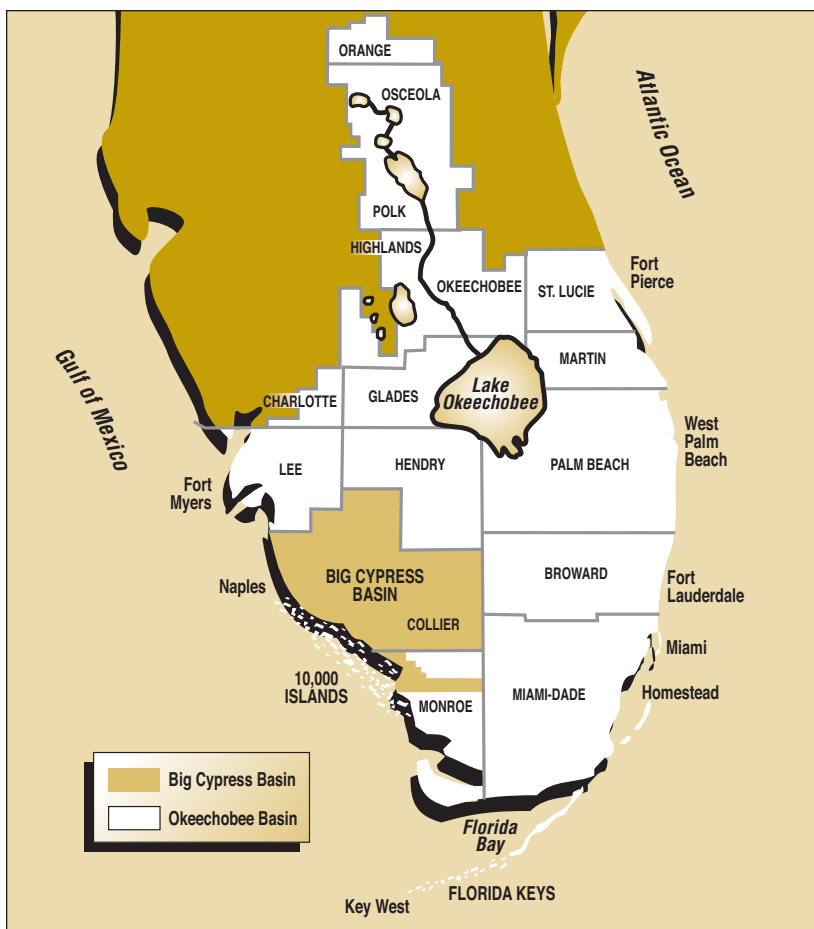
Area: Collier, Lee, Hendry and Charlotte counties

Current Term: March 2003 to March 2007



EXECUTIVE MANAGEMENT

The Governing Board appoints the agency's Executive Director (subject to approval by the Governor), Inspector General and Ombudsman. The Executive Director, like Governing Board Members, is confirmed by the Florida Senate. The Executive Director serves as the Secretary to the Governing Board and, with the Assistant Executive Director and Deputy Executive Directors, is responsible for administering the directives of the Board.



District Boundaries

The District's taxing jurisdiction includes all or part of 16 counties, spanning from Orlando to Key West, with a population of more than 6.5 million, and a total area of 17,930 square miles. The state's five water management district boundaries are based on natural, hydrologic basins

rather than political/county limits to allow for more effective and efficient water resource management. The map above displays the boundaries of each of the two basins within the South Florida Water Management District's jurisdiction.



FY2004 Budget Highlights

OVERVIEW

Highlights pertaining to the District's FY2004 budget – which runs from October 1, 2003 to September 30, 2004 – are provided below.

- The District maintained its existing millage rates while developing a fiscally responsible budget supporting its mission. There has been no increase in District tax rates since FY1998.
- Staffing levels were reduced from 1,819 positions to 1,802. While full-time positions remained at 1,771, leased workers were decreased by 17 positions.
- The District continues to examine and improve upon business processes and workflow efficiencies. Certain services and activities will be outsourced where it makes good business sense.
- The budget includes projects geared toward fostering local partnerships to help achieve overall District water resource objectives. These projects, totaling \$47.6 million, will assist local governments with water resource enhancements, alternative water supply, flood mitigation, canal dredging and stormwater planning.
- Major priorities in the FY2004 budget include: land acquisition for CERP, Kissimmee River, and other

environmental restoration programs; flood control system capital improvements; substantial completion of the Everglades Construction Project; and implementation of the Everglades long term plan for achieving water quality goals.

KEY PROGRAM HIGHLIGHTS

Comprehensive Everglades Restoration Plan (CERP)

- Implement approved Project Management Plans for the Lake Okechobee Watershed, C-43 Basin Storage Reservoir, EAA Storage Reservoir, Water Conservation Area 3 Sheet Flow Enhancement, North Palm Beach County, Biscayne Bay Coastal Wetlands, C-111N Spreader Canal, Southern Golden Gate Estates Restoration, L-31N Seepage Management, and Indian River Lagoon.
- Implement Critical Restoration Projects: Ten Mile Creek Water Preserve Area, Western Tamiami Trail Culverts, Western C-4 Water Control Structure, Southern Corkscrew Regional Ecosystem Watershed and Imperial River Flowways, and Lake Trafford restoration.
- Continue implementing a strategically focused CERP land acquisition schedule.
- Continue implementing CERP programmatic initiatives (i.e. Program Management, Program Controls, Public Involvement and Outreach, Environmental and Eco-





conomic Equity, Data Management, and Interagency Modeling).

- Develop the Southwest Florida and Florida Bay/Keys feasibility studies.

Ecosystem Restoration

- Complete construction of the largest Stormwater Treatment Area (STA 3/4).
- Begin construction of STA 6, section 2 and STA enhancements.
- Assist the Corps of Engineers in completing construction of STA-1E.
- Continue Everglades Construction Project operations and maintenance activities.
- Implement enhanced source controls in tributary basins.
- Continue Advanced Treatment Technology research.
- Develop the Lake Okeechobee Protection Plan.
- Provide financial assistance to convert Okeechobee area septic systems to a central sewer system.
- Continue implementation of Lake Okeechobee Public/Private Partnerships.
- Provide financial and engineering assistance for the development of the Torrey Island Nature Center.
- Restore isolated wetlands in the Lake Okeechobee watershed.
- Continue development and implementation of Best Management Practices for beef cattle.
- Construct Kissimmee River Restoration flood mitigation projects for residential communities within the flood plain.
- Acquire the remaining 20 percent of Kissimmee River Restoration project lands.
- Begin development of Upper Kissimmee Chain of Lakes Long Term Management Plan.
- Design and construct Upper Kissimmee Basin stormwater and water quality improvement projects cooperatively with local governments.
- Begin construction of the Southern Golden Gate Estates Restoration





project, Lake Trafford Restoration project, and Tamiami Trail project.

- Develop an integrated restoration plan for the Loxahatchee estuary, river, and watershed.
- Evaluate hydrology and salinity of the Lake Worth Lagoon in support of local restoration efforts and the CERP North Palm Beach Project Implementation Report.
- Continue monitoring and assessment activities in the Caloosahatchee River and Estuary for input into post-rule minimum flows and levels and environmental operations.

Regulation

- Evaluate environmental resource permit applications to ensure land development projects and dredge and fill activities do not cause adverse environmental, water quality and water quantity impacts.
- Evaluate water use permit applications to ensure safe, efficient, equitable and reliable development of the State's water resources.
- Continue the development of the water use permit database. This database will analyze performance data such as withdrawals, water levels, and water quality measurements in order to ensure the safety and capacity of the resource.
- Coordinate efforts with the Florida Department of Transportation Mitigation Program to compensate for

wetland impacts identified in long-range transportation plans.

Land Acquisition, Management & Mitigation

- Develop land acquisition partnerships with various counties within the District.
- Complete Broward County acquisitions for Water Conservation Areas 3A and 3B.
- Continue land acquisition for CERP projects, including the C-43, C-44, and EAA reservoirs as well as the Palm Beach Aggregates site.
- Acquire lands in Biscayne Bay Coastal Wetlands and Bird Drive.



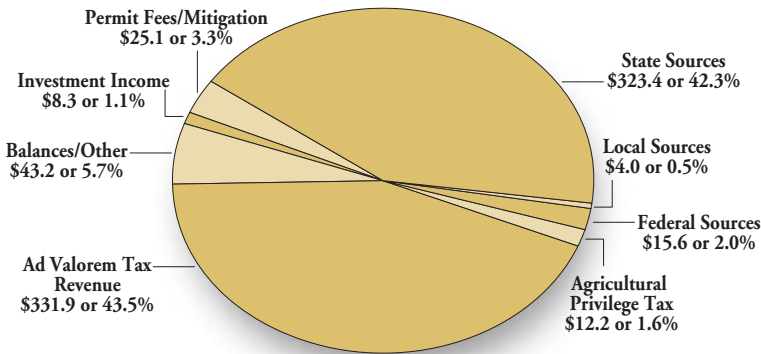
- Survey and treat 56,000 acres to control invasive exotic plants.
- Conduct habitat management and controlled burns on 18,700 acres.
- Construct 11 public access facilities which include the S5A visitor center, STA-1W public access, Torry Island, WCA-2A boat ramp parking, CREW boardwalk and CREW access road, Everglades Buffer Strip Boardwalk,





Where the Money Comes From

(In Millions)



TOTAL REVENUES \$763.7 MILLION

Shingle Creek boardwalk, Shingle Creek pedestrian bridge, Kissimmee River boat ramp and Aerojet fishing pier.

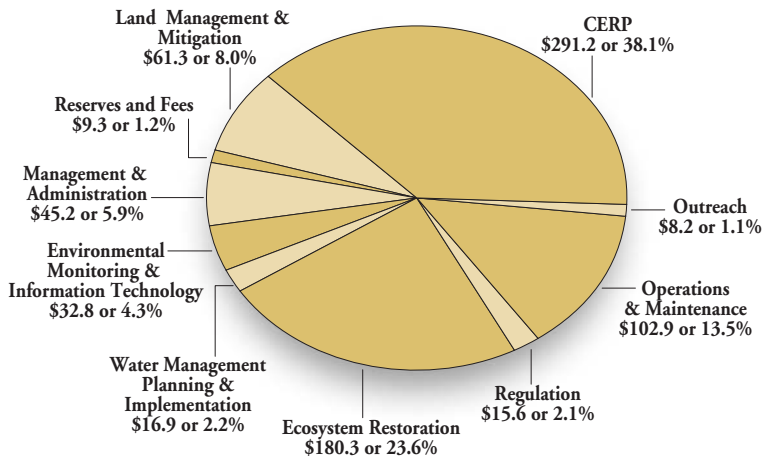
Operations and Maintenance

- Operate and maintain the regional network of canals, levees, water control structures and pumping stations to minimize potential flood damage and maximize water supply availability.
- Continue refurbishment of pump stations S-7 and S-8 which discharge into the Everglades.
- Eliminate 60,000 acres of invasive exotic plants such as melaleuca and torpedo grass, and remove hazardous/exotic trees from District canals and rights-of-way.

- Implement the Water Management System, which replaces the current flood control and data management systems with a single streamlined system that has the ability to support the District's expanding infrastructure for water supply, flood control, environmental monitoring, and water-quality improvement.
- Perform dredging, earthwork and other facilities construction to improve water flow capacities in District canals, particularly in flood-prone areas such as Miami-Dade County.
- Undertake major flood control capital improvements such as pump station and water control structure refurbishments, project culvert replace-



Where the Money Goes (In Millions)



TOTAL EXPENDITURES \$763.7 MILLION

ments, and canal/levee dredging.

Water Management Planning & Implementation

- Complete the Upper East Coast regional water resource plan and continue work on Kissimmee Basin, Lower East Coast & Lower West Coast plans.
- Implement the Alternative Water Supply Grant Program.
- Continue minimum flows and levels development and monitoring.
- Implement water conservation programs with local governments and public utilities.

Implement local water resource partnership projects.

- Develop agency-wide and region specific water resource simulation models.

- Continue ongoing groundwater data collection and monitoring activities.

Outreach

- Inform and educate the public on water management goals, initiatives and programs through expanded public information activities.
- Design and execute a baseline survey measuring and assessing the knowledge and perceptions of the District and its activities.
- Identify opportunities to enter into public/private partnerships to reach Florida's diverse communities.





- Produce a bi-monthly newsletter informing the general public, public utilities, community leaders, and government and elected officials regarding water management issues.

Environmental Monitoring & Information Technology

- Collect water quality information for mandated projects and permits. Continue to develop and implement technologies and processes to enhance and streamline water quality data collection.



- Collect, calibrate and analyze hydrologic and meteorologic monitoring information. Continue to develop and implement new technologies and processes to enhance and streamline hydrology and meteorology.
- Perform laboratory analyses and

assure water quality data. Continue to develop and implement new technologies and processes to enhance and streamline these tasks.

- Maintain and enhance the District's underlying technology infrastructure.

Management & Administration

- Provide agency-wide management consistent with policy direction from the Governor's Office, Governing Board, and Legislature.
- Develop long-term strategies to ensure accessible, consistent and responsive Ombudsman service.
- Conduct District-wide emergency/hurricane preparation exercises, training and planning.
- Develop security and response plans in coordination with Governor's Domestic Security Task Force.
- Complete business process-reengineering associated with the implementation of new business enterprise systems.
- Implement business process improvements and workflow efficiencies.
- Develop an agency strategic plan and improved program performance measures.
- Complete and present recommendations on outsourcing specific human resources functions.
- Pursue federal and state financial support for projects consistent with CERP and the District's five-year capital improvement plan.



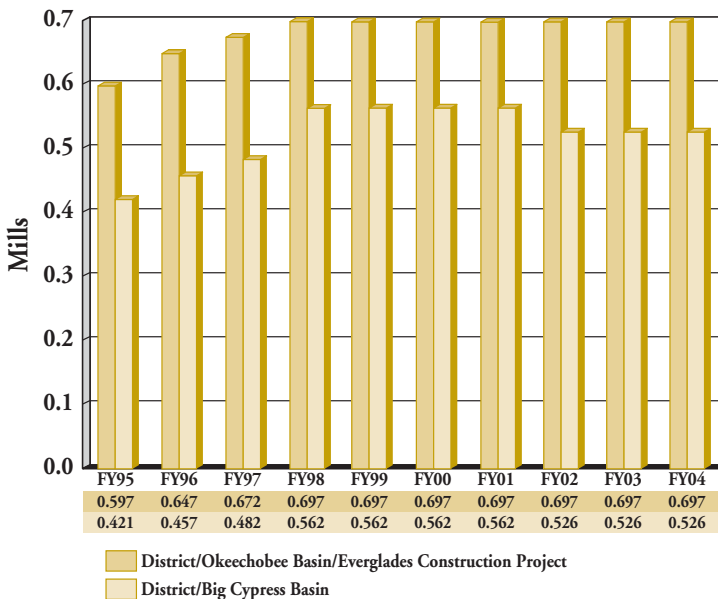
Taxes and Budget

The District's boundaries include two primary basins. The Okeechobee Basin stretches from Central Florida to the Florida Keys and includes the 700,000 acre Everglades Agricultural Area, the intensely developed south-east coast and Everglades National Park. The Big Cypress Basin includes all of Collier and mainland Monroe counties, the Big Cypress National Preserve and the 10,000 Islands.

In FY2004, all property owners within the District's boundaries will be assessed the District-at-large

millage rate of .284 mills. In addition, property owners within the Okeechobee Basin will be assessed both the Okeechobee basin millage rate of .313 mills and the Everglades Construction Project millage rate of .100 mills – for a combined tax assessment of .697 mills. Property owners within the Big Cypress Basin will be assessed the Big Cypress Basin millage rate of .2425 mills and the District-at-large millage rate of .284 mills – for a combined tax assessment of .5265 mills. The graph below depicts the District's actual millage rates over a ten year period.

AD VALOREM MILLAGE RATES FY1995 TO FY2004





The Budget Process

Budget development began with a Governing Board strategic planning retreat in December and culminated with budget adoption on September 23, 2003. The budget was developed within guidelines established by the Governor's Office, the District's Governing Board, and executive management. A programmatic, performance based approach was used to develop the annual budget.

The District's external Budget and Finance Advisory Commission, the Department of Environmental Protection, the House Appropriations Committee, the Senate Appropriations Committee and the Governor's Office all reviewed the District's

budget. The Governor's Office, in its annual review of the District's budget, praised it as being responsive, accountable, and focused on achieving the District's core mission.

Citizens were also encouraged to participate in the budget development process. The District held a series of public forums and county commission briefings in August to solicit input on the District's proposed budget. Information obtained from these meetings were summarized and provided to the Governing Board for consideration in final budget deliberations. The Governing Board adopted the final budget in September via two statutorily required public hearings held at District headquarters in West Palm Beach.

DISTRICT PERSONNEL BY PROGRAM

PROGRAM NAME	FY02 ACTUAL POSITIONS		FY03 ACTUAL POSITIONS		FY04 BUDGETED POSITIONS	
	FTE	Lease	FTE	Lease	FTE	Lease*
Comprehensive Everglades Restoration Plan	172	6	175	6	168	13
Ecosystem Restoration	314	46	303	37	302	15
Regulation	181	0	182	0	180	0
Land Acquisition, Mitigation & Management	48	1	43	1	56	0
Operations & Maintenance	533	0	503	0	506	0
Water Management Planning & Implementation	75	3	80	1	76	1
Outreach	56	0	66	0	44	0
Environmental Monitoring & Information Technology	185	3	197	2	186	1
Management & Administration	213	3	222	1	253	1
TOTAL	1,777	62	1,771	48	1,771	31

** Note: Leased positions represent employees of a leasing agency which perform project specific tasks of limited duration. This column represents only those leased agency employees and does not include other contractors performing work with the District.*



Major FY2003 District Accomplishments

Everglades Restoration

- Increased the rate of land acquisition by over 50 percent. In FY2003, the District acquired 17,478 acres of land for CERP. In total, 193,658 acres of land have been acquired for CERP implementation.
- Acquired major land parcels including portions of C-43 Basin Storage Reservoir, Indian River Lagoon, North Palm Beach County, Biscayne Bay Coastal Wetlands, Bird Drive Recharge Area, Broward County WPA, and the Southern CREW Critical Restoration Project.
- Completed the RECOVER Monitoring and Assessment Plan. Implementation of several monitoring projects has begun.
- Initiated a Master Agreement between the District and the U.S. Army Corps of Engineers (USACE) to implement and construct authorized projects under the Comprehensive Everglades Restoration Plan. This agreement will enable the District to receive funding credit for both construction and land acquisition associated with CERP projects.
- Developed and pursued opportunities to enter into public/private partnerships to help leverage District resources.
- Acquired 1,220 acres of land in Palm Beach County, previously part of a rock mining operation, which will form the basis of the C-51 and L-8 reservoir components of the North Palm Beach County – Part 1 CERP project.
- Identified methods to work cooperatively with the USACE and the State of Florida to expedite the building of CERP projects.
- Developed the hydrologic model and released a preliminary draft Project Implementation Report for review for the Southern Golden Gate Estates project.
- Continued implementation of the Pilot Project Design Report (PPDR) and Project Implementation Report (PIR) phases of CERP projects with approved Project Management Plans (PMP). During FY2003, two new PMPs were approved, one for the Aquifer Storage and Recovery Regional Study and one for the Indian River Lagoon South project.
- Completed construction on the Loxahatchee Impoundment Landscape Assessment Project. This is an 88 acre, macro-scale research facility designed to conduct studies on the effects of hydrology on Everglades landscape, wildlife and tree islands.
- Completed construction of the C-4 Western Structure (S-380) and the S-9A pump station which will enhance regional water quality, water storage and water supply.
- Continued construction activity on



ECP project components including Stormwater Treatment Areas 3 and 4 (STA-3/4), STA-1 East, and the two remaining Chapter 298 District projects: South Shore Drainage District and South Florida Conservancy District.

- Documented a 35% decrease in phosphorus levels, through Best Management Practices (BMPs), within the Everglades Agricultural Area (EAA). Combined, the existing STAs and farming BMPs have cut phosphorus inputs to the Everglades by 1,400 metric tons over the past decade.

- Due to favorable phosphorus-reduction treatments, a significant decrease of cattail expansion was documented from 2,375 acres per year to 785 acres per year in Water Conservation Area 2A.

- Adopted final rule language set by the Environmental Regulation Commission which established a phosphorus criterion of 10 parts per billion (ppb) for the Everglades.

Lake Okeechobee Restoration

- Nine of thirteen phosphorus source control grant projects and three dairy best available technology projects have been completed for an estimated phosphorus load reduction of 10.5 metric tons.

- Dredging projects have been completed for the Industrial Canal, Belle

Glade Marina, and L-62 for an estimated phosphorus removal of 71 metric tons.



- Completed an in-lake sediment removal feasibility study.
- In total, 400 acres of isolated wetlands have been restored.

Kissimmee Basin Watershed

- Completed construction of the Kissimmee River Shores residential community flood mitigation project.

- Began construction of a second flood mitigation project in Hidden Acres Estates.

- Continued land acquisition for the remaining phases of backfilling and for the Upper Kissimmee Chain of Lakes headwaters revitalization components.

- Completed local levee work within the floodplain.

- Provided technical support for the Lake Toho drawdown.

- Initiated the Upper Kissimmee Basin long-term management plan.



- Accomplished the Lake Okeechobee Protection Act's mandate to complete an assessment of phosphorus sources from the Upper Kissimmee Basin.

Water Supply

- Received an award for water and energy conservation for the District's commitment and support of the Mobile Irrigation Lab Program. Six Mobile Irrigation Labs provided irrigation system evaluations in nine counties within the District. The urban labs completed 581 evaluations resulting in a potential of 163.7 million gallons of water savings per year. The agricultural labs completed 173 evaluations resulting in a potential water savings of 382.8 million gallons per year.

- Completed 110 comprehensive plan reviews and two evaluation and appraisal reports submitted by local governments. Provided technical support to Palm Beach County with its 10-year water facilities work plan.

- Began implementation of the North Palm Beach County Comprehensive Water Management Plan, a project that is critical to improving freshwater flows to the Northwest Fork of the Loxahatchee River.

- Initiated the public participation process for updating the Upper East

Coast Regional Water Supply Plan by conducting three workshops in the region. This is the first of three regional water supply plans to be updated over the next two years.

- Presented the District's integrated water resource strategy concept to Miami-Dade County, Palm Beach County, Broward County, and the Southeast Florida Utilities Council to facilitate alternative source development to meet future water demands.

Operations and Maintenance

- Installed manatee protection systems at S-20F, S-20G, S-21, S-123, S-131 and S-135. Also replaced the manatee protection system at S-29. Installed a manatee barrier at S-13 gate structure.



- Performed mechanical, biological and herbicidal management of nuisance exotic/aquatic vegetation throughout District canals, lakes, and rights-of-way.

- Treated 60,000 acres of invasive



plants. Also, continued the treatment of Hydrilla in the Kissimmee Chain of Lakes.

- Conducted canal and levee preventive maintenance involving shoal removal, disposal or removal of debris from canal rights-of-way, mowing of levees, repairing and maintaining District road and bridge approaches, tree removal and repair of canal banks.
- Rewired flood control structures S-127, S-131, S-191 and S-135.
- Overhauled pump station engines on S-140, S-6 and S-2.
- Performed 13 major gate overhauls, repaired field station fuel tanks, completed canal dredging projects, and automated water control structures.

Management & Administration

- Developed and produced six issues of Water Matters, a new District newsletter, with the purpose of informing our external audiences, general public, community leaders, and government elected officials about water resource matters.
- Developed a Continuity of Operations Plan as required under F.S. Chapter 252.
- Implemented initiatives aimed at “leveling the playing field” for all firms registered to do business with the District. These included introducing a tailored Mentor Protégé element to the Supplier Diversity Program, engaging community groups through the Small-Minority Contractors Development Initiative and improving reporting mechanisms for data relating to MBE utilization.
- Partnered with representatives from all resource areas to develop, promote, and implement a District wide standard project management methodology.
- Developed and facilitated a Project Management Expo, a forum for sharing information about the District's projects, processes, and project management tools.
- Received the Government Finance Officers Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Document Award.

Adopted Budget Linked to District Mission

The District’s mission is to manage and protect water resources for the region by balancing and improving water quality, flood control, natural systems and water supply.

MISSION ELEMENT	MISSION ELEMENT GOALS	FY2004 BUDGET*
(In Millions)		
<i>Water Supply</i>	Maintain and increase available water supplies and maximize overall water use efficiency for human and environmental needs. Prevent adverse impact to water supplies.	\$70.0
<i>Flood Protection</i>	Minimize damage from flooding by optimally operating and maintaining the primary flood control system. Determine the need for increased capacity within the primary flood control system to attain targeted levels of service.	\$129.2
<i>Water Quality</i>	Protect and improve surface and ground water quality.	\$52.3
<i>Natural Systems</i>	Restore and maintain the integrity and functions of water resources and related natural systems.	\$408.9
<i>Mission Support</i>	Proactively provide leadership and expertise for developing and delivering support services essential to the mission of the District.	\$91.4
<i>Executive Management</i>	Provide policy support and direction to facilitate the District’s ability to succeed in an increasingly challenging environment.	\$11.9
Total FY2004 Budget		<u>\$763.7</u>

* Note: Many specific budget line items overlap multiple mission elements. This table provides a rough approximation of the allocation of District resources among each of the District mission elements.

VISION



*to be the world's premier
water resource agency*



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